

## **AGENDA**

### **SPECIAL MEETING BOARD OF MAYOR AND ALDERMEN (PUBLIC HEARING – TAX INCENTIVE)**

**December 18, 2007**

**5:30 PM  
Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)**

1. Mayor Guinta calls the meeting to order.
2. Mayor Guinta calls for the Pledge of Allegiance.  
  
A moment of silent prayer is observed.
3. The Clerk calls the roll.
4. Mayor Guinta advises that the purpose of the special meeting is to hear those wishing to speak on a Community Revitalization Tax Relief Incentive Application pursuant to RSA 79-E for property located at 30 Amherst Street (Map 4, Lot 9) in the City of Manchester; that anyone wishing to speak must first step to the nearest microphone when recognized and recite his/her name and address in a clear, loud voice for the record; that each person will be given only one opportunity to speak; and any questions must be directed to the Chair.
5. Mayor Guinta requests that Jay Minkarah, Economic Development Director, make a presentation.
6. Mayor Guinta calls for those wishing to speak.
7. Mayor Guinta advises that all wishing to speak having been heard, the testimony presented will be taken under advisement with reports to be made to the Board of Mayor and Aldermen at a later date.
8. Mayor Guinta advises that this being a special meeting of the Board, no further business can be presented and a motion to adjourn would be in order.

# Memo

## MEDO

IN BOARD OF MAYOR & ALDERMEN

DATE: December 4, 2007

ON MOTION OF ALD. Osborne

SECONDED BY ALD. Pinard

VOTED TO refer to a public hearing on  
December 18, 2007.

**To:** Board of Mayor and Alderman

**From:** Glen Ohlund

**CC:** Jay Minkarah

**Date:** 11/23/2007

**Re:** Community Revitalization Tax Relief Incentive Application (RSA 79-E)  
30 Amherst Street (aka Map 4, Lot 9)

CITY CLERK

The Economic Development Office is in receipt of an application for the Community Revitalization Tax Relief Incentive. MEDO has prepared this brief report with our recommendations.

### Background-

The three story building at 30 Amherst Street was acquired by Max Pruna of Pruna Holdings LLC in September 2005. The brick building (formerly painted white) housed Albee's Restaurant and some upper floor offices, many were vacant. Since acquisition, Max has rehabilitated the first floor which now houses Consuela's Tacqueria. The circa 1887 building sits diagonally across from the District Courthouse on Amherst Street. In September 2007, as remaining upper floor leases expired, Mr. Pruna decided to make major improvements to floors two and three.

The City received Mr. Pruna's completed application for tax relief under RSA 79-E on November 21<sup>st</sup>.

RSA 79E establishes a set of criteria required to grant this Tax Relief Incentive as follows:

### Property is within a designated Downtown or Central Business District area and consistent with Master Plan or other development regulations-

Attachment "A" is a City GIS map showing subject property to be located in the CBD (Central Business District) Zoning area. One of the four zoning districts the City of Manchester adopted for RSA 79-E. The other applicable areas are the Millyard District (AMX) and two Downtown R-3 Zones which include the Amoskeag Housing. All of the uses proposed by applicant are consistent with those outlined for the Central Business District as permitted uses in the 2001 Zoning Ordinance. Additionally, this project meets the City's Master Plan economic development objectives to "Evaluate the city's older commercial and industrial areas for their potential to be creatively rehabilitated and reused" and further supports efforts to "strengthen the Central Business District" also outlined in the 1993 Master Plan.

**Proposed rehabilitation qualifies as substantial-**

In 2007, the subject property's assessed value is \$454,500. The applicant's proposal calls for upper story rehabilitation costs in the range of \$76,000 to \$95,000. These costs equal 16% to 21% of the assessed value. The 79-E statute requires a rehabilitation investment of 15% of assessed value or \$75,000 (whichever is less) to meet the "substantial rehabilitation" threshold. These costs are exclusive to the second and third floors and will aid in marketing the offices to new users.

**There is public benefit in granting the Tax Relief-**

MEDO finds that the application meets a number of the public benefit requirements under RSA 79-E. The applicant has already attracted a first floor restaurant. Upper floors would be quality office space that will enhance the economic vitality in Downtown Manchester. These offices are uniquely situated to offer attorneys and other legal service providers ready access to the District Court when they are rehabilitated. They have the potential to create additional daytime purchasing power that can be captured by Downtown retailers and restaurants. Current estimates indicate Downtown workers add \$3,000 annually to local economies.

MEDO further finds that the work previously conducted on the exterior of the building has already improved the appearance of the property. Layers of paint that accumulated over the years have been removed and the original exterior again highlights the detail of building construction from the late 1800's. The applicant has not requested the additional benefits of rehabilitating a historic structure, nor has he followed the US Secretary of Interior's Standards for Rehabilitation.

The further rehabilitation of this building will substantially improve the Downtown area, as it is visible from Elm Street on an important artery in the Downtown. In its previous condition, the building would not have been considered an asset to Downtown. In completing this project, the applicant, Max Pruna, will revitalize upper floor office space which will contribute to the overall economic health and appearance of the Downtown.

Based on this report, comments from the applicant, and results of the Public Hearing, the Board of Mayor and Alderman is required to render a decision granting or denying the requested tax relief, and if so, establishing a tax relief period based on the following:

- 1) public benefit is established
- 2) a covenant under RSA 79-E:8 is established, protecting the public benefits of the project. RSA 79-E states that the covenant be coextensive with the period of tax relief and may be in effect for up to twice the period of tax relief
- 3) the Board of Mayor and Alderman finds the proposed use(s) consistent with the Master Plan or development regulations

MEDO respectfully recommends that the Board of Mayor and Alderman grant this RSA 79-E request for a period of five (5) years and authorize Staff to complete the necessary covenants and recordings required by this statute.

A copy of the original application is included with this memo.

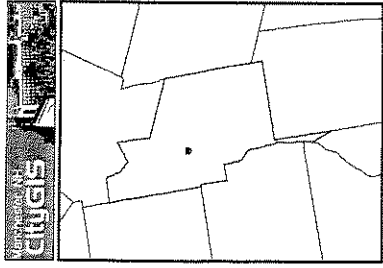
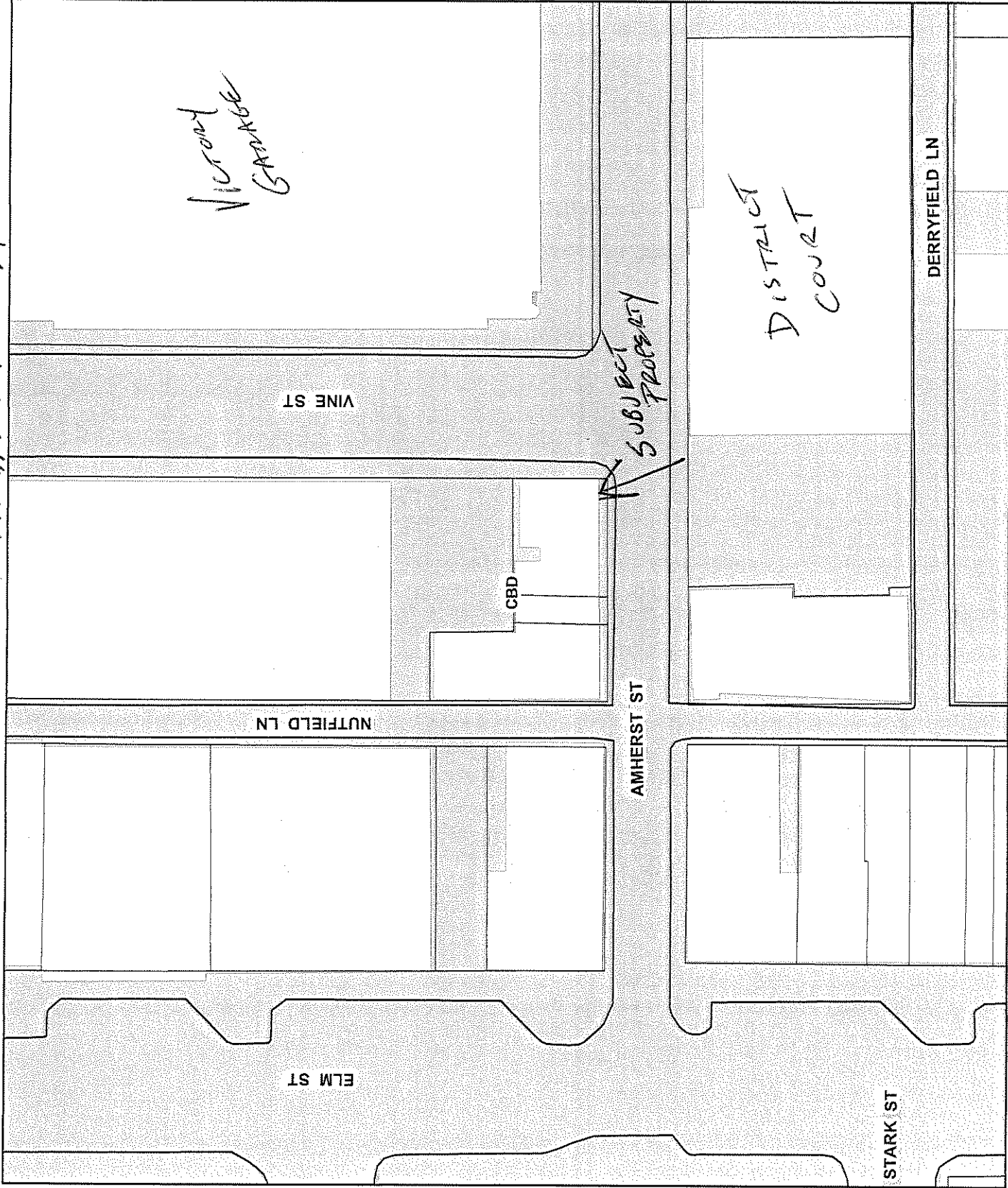
Respectfully,

Glen Ohlund

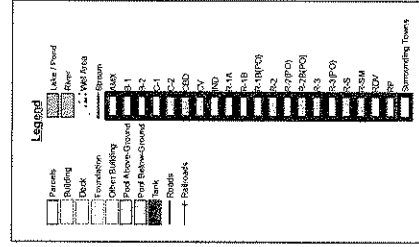
[gohlund@manchesternh.gov](mailto:gohlund@manchesternh.gov)

624-6505 x 4103

ATTACHMENT A



Area Map Showing Extent Of Map At Left



DISCLAIMER

The information appearing on this map is for the convenience of the user and is not an official public record of the City of Manchester, NH (the "City"). This map is not survey-quality. All boundaries, easements, area, measurements, rights-of-way, etc. appearing on this map should only be considered approximations, and as such have no official or legal value. The City makes no warranties, expressed or implied, in the accuracy, completeness, reliability, or availability of this information. The City assumes no liability whatsoever associated with the use or misuse of this information. The official public records from which this information was compiled are kept in the offices of various City, County, and State government agencies and departments, and are available for inspection and copying during normal business hours. By using this map, you agree to these terms and conditions.

November 16, 2007

Glen Ohlund  
Development Coordinator  
City of Manchester  
Manchester Economic Development Office  
One City Hall Plaza  
Manchester, NH 03101

**Re: Community Revitalization Tax Relief Incentive Application**

Dear Glen:

The following is an overview of the renovations that have been taking place at the building located at 30 Amherst Street Manchester NH 03104.

The building was purchased on September 30, 2005 from William and Elaine Hood (former owners of "Albee's Restaurant"). At the time of purchase the building had the following tenants (attached please see copy of notice to tenants by former owner):

**First Floor:**

Tenants:

Vacant, formerly "Albee's Restaurant"

**Second Floor:**

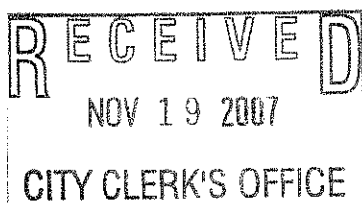
Tenants:

1. Crist Trucking                      Lease Agreement: June 2005 – June 2006
2. Law Office of Sean Curran Lease Agreement: August 2005 – August 2007

**Third Floor:**

Tenants:

1. B. Cole Appraisals Lease Agreement November 2004 - November 2006
2. Dante Baker Lease Agreement September 2005 – September 2006
3. Thomas Coughlin Lease Agreement November 2004 – November 2006



Due to the Lease Agreements in place at the time of purchase I had breakdown the building renovations in four phases as follows:

Phase 1: Renovations of the exterior/façade of the building which started on October 2005 and terminated on January 2006

Phase 2: Renovations of 1<sup>st</sup> Floor: Started on January 2006 Terminated September 2006

Phase 3: Renovations of 3<sup>rd</sup> Floor: Started on January 2007 Terminated October 2007

Phase 4: Renovations of 2<sup>nd</sup> Floor: Starting Date November 12, 2007 to be terminated on May 2008.

I hope you can consider my application for Tax Incentive. If you have any additional questions, I may be reached at 603-858-1019.

Sincerely,

Max Pruna



# CITY OF MANCHESTER

## Economic Development Office



### Community Revitalization Tax Relief Incentive Application

Building Name (if any)	Owner Name(s) Max Pruna & Andrea E. Pruna
Building Address 30 Amherst Street Manchester NH 03101	Applicant Name(s) (if different from owner) Same
Owner Address (es) 1341 River Road Manchester NH 03104	Applicant Address (if different from owner) Same
Phone # Cell # 603-858-1019	Phone #
Email address prunamax@aol.com	Email address
Map# 0004	Book# 7556
Lot# 0009	Page # 1131
Year Built 1887	Is the building eligible or listed on the State or National Register of Historic Places or located in a Local, State, or Federal Historic District? Yes _____ No <input checked="" type="checkbox"/>
Square Footage of Building _____	provide historic district name if applicable)
Existing Uses (describe number of units by type and size ) Commercial/Restaurant 1st Floor Offices 2nd & 3rd floors	Is there a change of use associated with this project? _____ Yes _____ No <input checked="" type="checkbox"/> If so, please describe:
Proposed Uses (describe number of units by type and size) Commercial/Restaurant 1st floor Offices 5 per floor 2nd & 3rd floors	Has an abatement application been filed or has an abatement been awarded on this property within the past year? Yes _____ No <input checked="" type="checkbox"/>
Will the project include new residential units? ____ Yes <input checked="" type="checkbox"/> No	Will the project include new affordable residential units? _____ Yes <input checked="" type="checkbox"/> No
If yes, please describe:	If yes, please describe:

**Note:** Application must be accompanied by a \$50 Application Fee made payable to "City of Manchester"

Will any state or federal grants or funds be used in this project? If so, describe and detail any terms of repayment (if applicable) No

**Describe the work to be done and estimated cost:** please attach additional sheets if necessary and any written construction estimates

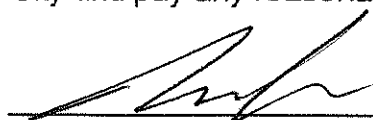
*Note: The following are estimated costs for the 2nd floor only which needs to be done.*

Structural: Framing of walls of office space + hallways <i>Range</i>	(See attached photos) \$ 10,000 <sup>to</sup> <sub>≈</sub> 12,000 K
Electrical: Upgrade all wiring/outlets/lights	\$ 15,000 <sup>to</sup> <sub>≈</sub> 18,000 K
Plumbing/Heating: Plumbing for bathrooms + heat	\$ 12,000 <sup>to</sup> <sub>≈</sub> 15,000 K
Mechanical: Drywall + Flooring.	\$ 15,000 <sup>to</sup> <sub>≈</sub> 20,000 K
Other: Fire Alarm + Mailboxes + Materials Doors, Trim for windows + doors + baseboard.	\$ 24,000 <sup>to</sup> <sub>≈</sub> 30,000 K
Total: Note: To qualify for this tax relief incentive, the costs of the project must be at least 15% of the pre-rehabilitation assessed value or \$75,000, whichever is less.	\$ 76,000 <sup>to</sup> <sub>≈</sub> 95,000 K

Please attach any plot plans, building plans, sketches, renderings or photographs that would help explain this application.

#### APPROVAL BY A MAJORITY OF MAYOR AND ALDERMEN REQUIRED

I have read and understand the Community Revitalization Tax Relief Incentive RSA Ordinance (see following pages) and am aware that this will be a public process including a public hearing to be held to discuss the merits of this application and the subsequent need to enter into a covenant with the City and pay any reasonable expenses associated with the drafting of the covenant.



Max Pruna

11/12/07

Applicant: (signed)

(name printed)

Date

Expected project start: Nov /07

Expected project completion: March/April 08



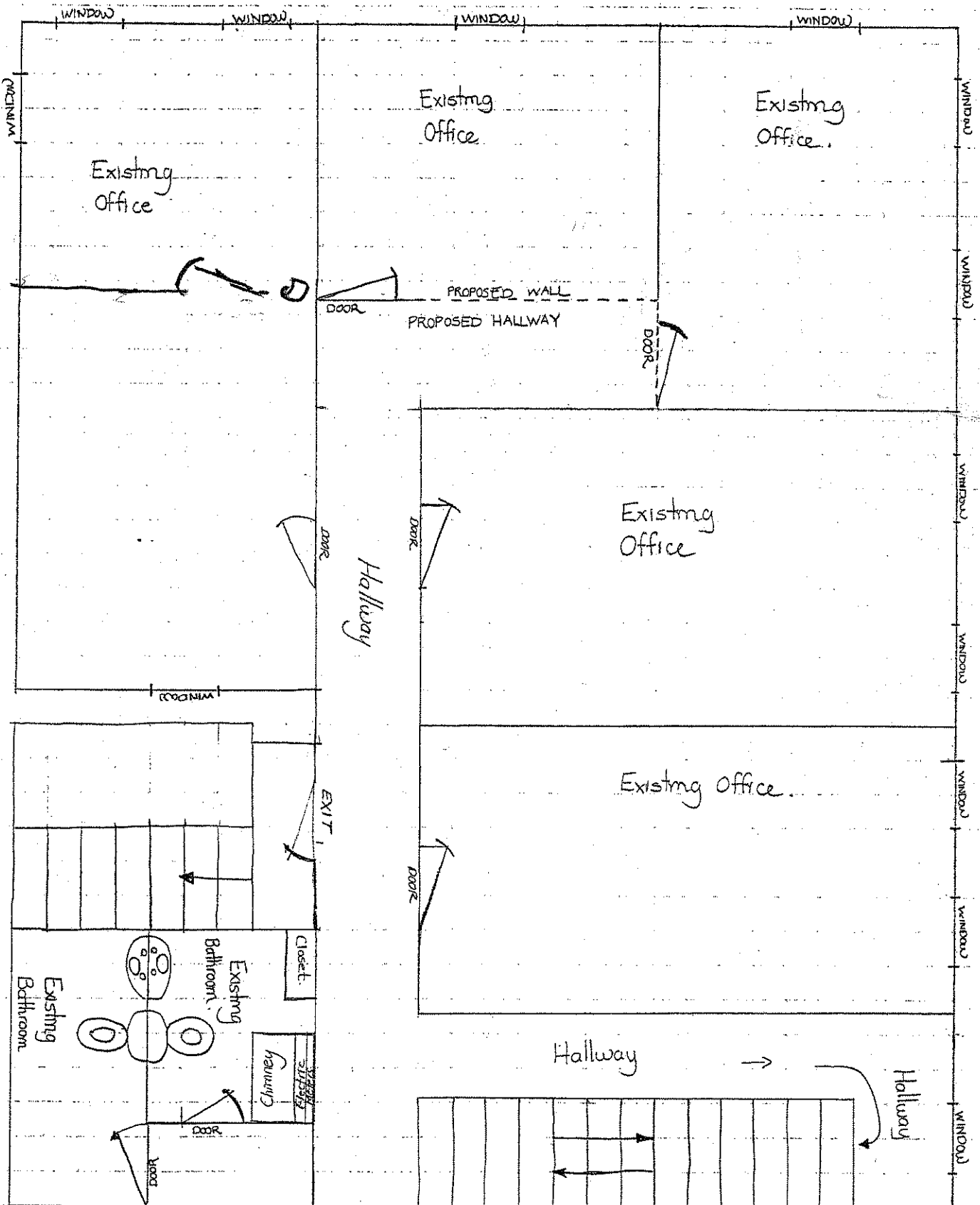
**Established rep. approval:** \_\_\_\_\_





# 2nd Floor

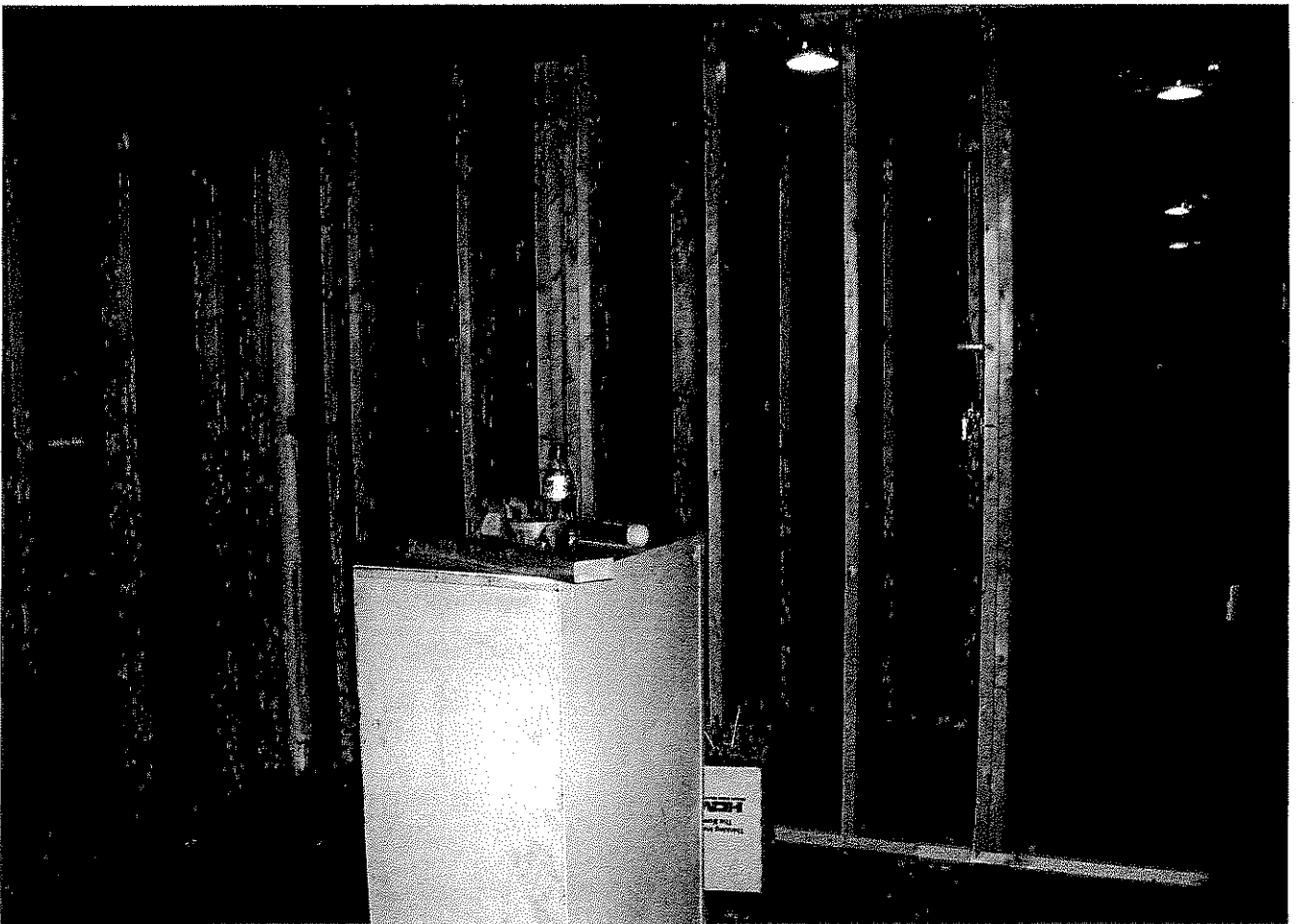
Scale 1-50



Bathrooms



Office Area 2nd Floor.



Hallway Office Area 2nd Floor

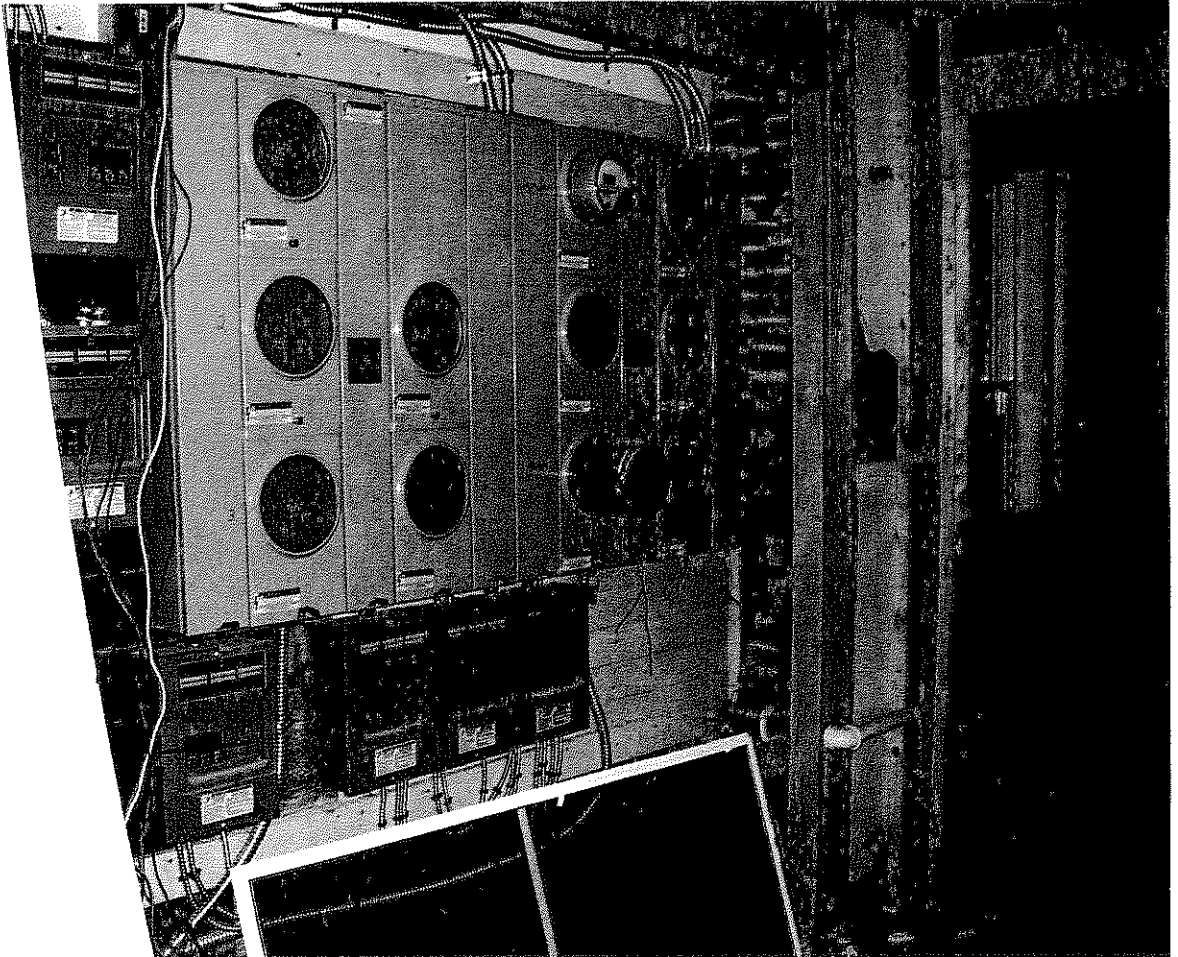


Office Area 2nd floor.





Bathrooms



William and Elaine Hood  
P.O. Box 334  
East Hampstead, NH 03826

September 30, 2005

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED AND  
U.S. POSTAL SERVICE FIRST CLASS

Mr. Bruce Cole  
B. Cole Appraisals  
25 Francesca Way  
Nottingham, NH 03290

Re: Lease of Property at 30 Amherst Street, Manchester, NH

Dear Mr. Cole:

This letter is written relative to your current lease at 30 Amherst Street. The purpose of this letter is to comply with New Hampshire law relative to the sale of property and transfer of a security deposit.

Please be advised that on September 30, 2005, we conveyed title to the property at 30 Amherst Street, Manchester, New Hampshire to Pruna Holdings, LLC, a New Hampshire limited liability company with a principal place of business at 5 Foxwood Circle, Manchester, New Hampshire 03104. Pruna Holdings, LLC will be your landlord from this point forward, for the foreseeable future. Max Pruna is the Manager of Pruna Holdings, LLC and can be reached by telephone at (603) 626-6787.

Additionally, your security deposit in the amount of \$185.00 was transferred to Pruna Holdings, LLC, along with your lease. Pursuant to the provisions of New Hampshire RSA 540-A:6 III(c), we are hereby relieved of liability to you for the repayment of the security deposit. Pruna Holdings, LLC is now responsible for the return of the security deposit to you, provided you comply with the terms of the lease.

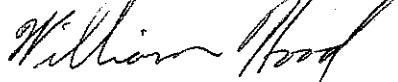
With respect to all matters occurring on or prior to September 30, 2005, please contact me by calling me by telephone at (603) 382-5641. After September 30, 2005, please contact Pruna Holdings, LLC by calling Max Pruna at (603) 626-6787.

Thank you for your past tenant relationship.

Very truly yours,

cc: James N. Tamposi, Jr., Esquire  
Mr. Max Pruna

William and Elaine Hood





William and Elaine Hood  
P.O. Box 334  
East Hampstead, NH 03826

September 30, 2005

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED AND  
U.S. POSTAL SERVICE FIRST CLASS

Dante Baker  
593 Hevey Street  
Apartment No. 3  
Manchester, NH 03103

Re: Lease of Property at 30 Amherst Street, Manchester, NH

To Whom It May Concern:

This letter is written relative to your current lease at 30 Amherst Street. The purpose of this letter is to comply with New Hampshire law relative to the sale of property and transfer of a security deposit.

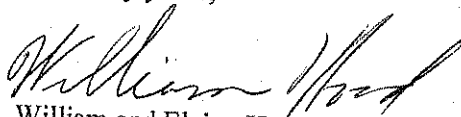
Please be advised that on September 30, 2005, we conveyed title to the property at 30 Amherst Street, Manchester, New Hampshire to Pruna Holdings, LLC, a New Hampshire limited liability company with a principal place of business at 5 Foxwood Circle, Manchester, New Hampshire 03104. Pruna Holdings, LLC will be your landlord from this point forward, for the foreseeable future. Max Pruna is the Manager of Pruna Holdings, LLC and can be reached by telephone at (603) 626-6787.

Additionally, your security deposit in the amount of \$00.00 was transferred to Pruna Holdings, LLC, along with your lease. Pursuant to the provisions of New Hampshire RSA 540-A:6 III(c), we are hereby relieved of liability to you for the repayment of the security deposit. Pruna Holdings, LLC is now responsible for the return of the security deposit to you, provided you comply with the terms of the lease.

With respect to all matters occurring on or prior to September 30, 2005, please contact me by calling me by telephone at (603) 382-5641. After September 30, 2005, please contact Pruna Holdings, LLC by calling Max Pruna at (603) 626-6787.

Thank you for your past tenant relationship.

Very truly yours,

  
William and Elaine Hood

cc: James N. Tamposi, Jr., Esquire  
Mr. Max Pruna

William and Elaine Hood  
P.O. Box 334  
East Hampstead, NH 03826

September 30, 2005

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED AND  
U.S. POSTAL SERVICE FIRST CLASS

Mr. Thomas Coughlin  
P.O. Box 352  
Chester, NH 03036

Re: Lease of Property at 30 Amherst Street, Manchester, NH

Dear Mr. Coughlin:

This letter is written relative to your current lease at 30 Amherst Street. The purpose of this letter is to comply with New Hampshire law relative to the sale of property and transfer of a security deposit.

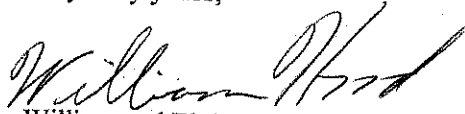
Please be advised that on September 30, 2005, we conveyed title to the property at 30 Amherst Street, Manchester, New Hampshire to Pruna Holdings, LLC, a New Hampshire limited liability company with a principal place of business at 5 Foxwood Circle, Manchester, New Hampshire 03104. Pruna Holdings, LLC will be your landlord from this point forward, for the foreseeable future. Max Pruna is the Manager of Pruna Holdings, LLC and can be reached by telephone at (603) 626-6787.

Additionally, your security deposit in the amount of \$270.00 was transferred to Pruna Holdings, LLC, along with your lease. Pursuant to the provisions of New Hampshire RSA 540-A:6 III(c), we are hereby relieved of liability to you for the repayment of the security deposit. Pruna Holdings, LLC is now responsible for the return of the security deposit to you, provided you comply with the terms of the lease.

With respect to all matters occurring on or prior to September 30, 2005, please contact me by calling me by telephone at (603) 382-5641. After September 30, 2005, please contact Pruna Holdings, LLC by calling Max Pruna at (603) 626-6787.

Thank you for your past tenant relationship.

Very truly yours,

  
William and Elaine Hood

cc: James N. Tamposi, Jr., Esquire  
Mr. Max Pruna

William and Elaine Hood  
P.O. Box 334  
East Hampstead, NH 03826

September 30, 2005

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED AND  
U.S. POSTAL SERVICE FIRST CLASS

Mr. William Crist  
219 Oak Street  
Cornith, NY

Re: Lease of Property at 30 Amherst Street, Manchester, NH

Dear Mr. Crist:

This letter is written relative to your current lease at 30 Amherst Street. The purpose of this letter is to comply with New Hampshire law relative to the sale of property and transfer of a security deposit.

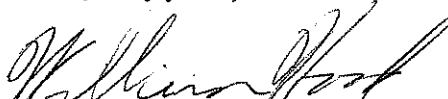
Please be advised that on September 30, 2005, we conveyed title to the property at 30 Amherst Street, Manchester, New Hampshire to Pruna Holdings, LLC, a New Hampshire limited liability company with a principal place of business at 5 Foxwood Circle, Manchester, New Hampshire 03104. Pruna Holdings, LLC will be your landlord from this point forward, for the foreseeable future. Max Pruna is the Manager of Pruna Holdings, LLC and can be reached by telephone at (603) 626-6787.

Additionally, your security deposit in the amount of \$145.00 was transferred to Pruna Holdings, LLC, along with your lease. Pursuant to the provisions of New Hampshire RSA 540-A:6 III(c), we are hereby relieved of liability to you for the repayment of the security deposit. Pruna Holdings, LLC is now responsible for the return of the security deposit to you, provided you comply with the terms of the lease.

With respect to all matters occurring on or prior to September 30, 2005, please contact me by calling me by telephone at (603) 382-5641. After September 30, 2005, please contact Pruna Holdings, LLC by calling Max Pruna at (603) 626-6787.

Thank you for your past tenant relationship.

Very truly yours,



William and Elaine Hood

cc: James N. Tamposi, Jr., Esquire  
Mr. Max Pruna

William and Elaine Hood  
P.O. Box 334  
East Hampstead, NH 03826

September 30, 2005

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED AND  
U.S. POSTAL SERVICE FIRST CLASS

Sean Emmet Curran  
Law Office of Sean Emmet Curran  
P.O. Box 3043  
Manchester, NH 03105-3043

Re: Lease of Property at 30 Amherst Street, Manchester, NH

Dear Mr. Curran:

This letter is written relative to your current lease at 30 Amherst Street. The purpose of this letter is to comply with New Hampshire law relative to the sale of property and transfer of a security deposit.

Please be advised that on September 30, 2005, we conveyed title to the property at 30 Amherst Street, Manchester, New Hampshire to Pruna Holdings, LLC, a New Hampshire limited liability company with a principal place of business at 5 Foxwood Circle, Manchester, New Hampshire 03104. Pruna Holdings, LLC will be your landlord from this point forward, for the foreseeable future. Max Pruna is the Manager of Pruna Holdings, LLC and can be reached by telephone at (603) 626-6787.

Additionally, your security deposit in the amount of \$640.00 was transferred to Pruna Holdings, LLC, along with your lease. Pursuant to the provisions of New Hampshire RSA 540-A:6 III(c), we are hereby relieved of liability to you for the repayment of the security deposit. Pruna Holdings, LLC is now responsible for the return of the security deposit to you, provided you comply with the terms of the lease.

With respect to all matters occurring on or prior to September 30, 2005, please contact me by calling me by telephone at (603) 382-5641. After September 30, 2005, please contact Pruna Holdings, LLC by calling Max Pruna at (603) 626-6787.

Thank you for your past tenant relationship.

Very truly yours,

  
William and Elaine Hood

cc: James N. Tamposi, Jr., Esquire  
Mr. Max Pruna



**MAX PRUNA**  
**ANDREA E PRUNA**  
1341 RIVER RD  
MANCHESTER, NH 03104

1554

Date Nov. 20/07

54-153/114  
465

Pay to the  
order of

City of Manchester

\$ 50.00-

Fifty

Dollars



Security features  
are included.  
Consult your bank.



**Citizens Bank**

New Hampshire

Citizens Circle Account

For

Application

Andrea P

MP

⑆011401533⑆ 3304607074 1554